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**GAIN Report**

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## Mexico

## Sugar

## Announcement on HFCS Antidumping Case

## 2002

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### Report Highlights:

**On May 7, 2002, the Secretariat of Economy published in the "*Diario Oficial*" (Federal Register) a final decision from the Binational Panel established by NAFTA on the U.S. HFCS antidumping duties case. The authorities have 30 days from the date of announcement to lift up the duties on HFCS.**

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Includes PSD changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
Mexico [MX1], MX

**Introduction:** This report summarizes a final decision on the U.S. HFCS antidumping case, published in Mexico's "*Diario Oficial*" (Federal Register) on May 7, 2002.

**Disclaimer:** This summary is based on a  *cursory* review of the subject announcement and therefore should not, under any circumstances, be viewed as a definitive reading of the regulation in question, or of its implications for U.S. agricultural export trade interests. In the event of a discrepancy or discrepancies between this summary and the complete regulation or announcement as published in Spanish, the latter shall prevail.

**FAS/Mexico's Executive Summary:** The Secretariat of Economy (SE) published on May 7, 2002, in the "*Diario Oficial*" (Federal Register) the final decision of the Binational Panel established by NAFTA on the U.S. HFCS antidumping duties case. The Panel reviewed the new information that the Mexican government sent on November 23, 2001 to determine if there was evidence of damage to the domestic sugar industry due to dumping of U.S. HFCS imports. The Panel found that the arguments were the same as those used in previous resolutions. Therefore, the Binational Panel decided that the Secretariat of Economy did not provide any evidence of damage to the domestic sugar industry to justify the imposition of compensatory duties on U.S. HFCS imports.

Accordingly, the Panel ordered the Mexican government to comply with the Panel's decision that the compensatory duties imposed on U.S. HFCS imports and the collection of these duties are inconsistent with international regulations. The Mexican government has 30 days from April 15, 2002, the date the Panel decision was issued, to comply. It is expected, however, that before May 15, 2002, the Secretariat of Economy will publish the lifting of the HFCS antidumping duties. The H.T.S. codes of the affected products are: 1702.4099, 1702.5001, 1702.6001, 1702.6002, and 1702.6099.

**Title:** Final decision of the revision of the final resolution on the antidumping investigation on U.S. HFCS imports, case MEX-USA-98-1904-01

### **Important Dates**

- 1. Publication Date:** May 7, 2002
- 2. Effective Date:** May 15, 2002

**Agency in Charge:** Secretariat of Economy

**Additional Information:** On April 22, 2002, SE announced in the *Diario Oficial* that it will establish a new tariff rate quota (TRQ) for U.S. HFCS imports. In-quota HFCS imports will be limited to 148,000 MT, while out-of-quota imports will be subject to a 210 percent duty, the maximum allowable rate under the WTO. Before taking such a measure, the Government of Mexico decided to reclassify the trading status of the United States in sweeteners trade only -- from NAFTA preferential trading partner to WTO MFN (Report MX 2059).

**Background Information:** The table below summarizes the prior actions related to this Resolution.

DATE	TITLE OF REPORT	FAS Rpt#
01/23/98	Mexican HFCS Compensatory Duties Ratified	MX8005
02/23/98	Evasion of Duties on Imported HFCS-55 Investigation	MX8019
03/25/98	Creation of HFCS Tariff Lines	MX8031
09/14/98	Compensatory Duties for U.S. HFCS Imports	MX8104
10/01/98	Mexico Clarifies Compensatory Duties for U.S. HFCS Imports	MX8115
05/16/00	Mexico to Revise its Final Antidumping Resolution on U.S. High Fructose Corn Syrup	MX0075
09/21/00	Revised Final Resolution of the Antidumping Investigation on Imported HFCS	MX0140
09/20/01	Initiative to Ban U.S. Fructose Imports	MX1167
10/12/01	Modification of HFCS Import Duties	MX1182
10/12/01	Announcement on U.S. HFCS Antidumping Case	MX1185
11/28/01	Reevaluation of HFCS Antidumping Case	MX1186
01/04/02	New Tax for Beverages Containing HFCS	MX2002
01/29/02	New Requirement to Import U.S. HFCS	MX2013
04/22/02	New Tariff Rate Quota Established for HFCS	MX2059

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**Internet Connections**

*FAS Mexico Web Site:* We are available at <http://www.atomexico.gob.mx> or visit our headquarter's home page at <http://www.fas.usda.gov> for a complete selection of FAS' worldwide agricultural reporting.

*Useful Mexican Web Sites:* Mexico's equivalent of the Department of Agriculture (SAGARPA) can be found at [www.sagarpa.gob.mx](http://www.sagarpa.gob.mx) and Mexico's equivalent of the Department of Commerce (SE) can be found at [www.economia.gob.mx](http://www.economia.gob.mx). These web sites are mentioned for the readers' convenience but USDA does NOT in any way endorse, guarantee the accuracy of, or necessarily concur with the information contained on the mentioned sites.